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January 5, 2005

Ref: 4198-23227

Honorable James H. Welsh
Commissioner of Conservation
Post Office Box 94275
Baton Rouge, LA 70804-4275

Re: Hearing Application
Marginulina Ascensionensis Zone, Reservoirs A & B
PRICE LAKE FIELD
Cameron Parish, Louisiana
Applicant: Erskine Energy, LLC

Dear Mr. Commissioner:

In accordance with the Rules of Procedure for Conducting Hearings Before the Commissioner of Conservation of the State of Louisiana, application is hereby made on behalf of **Erskine Energy, LLC** the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters relating to the Marginulina Ascensionensis Zone, Reservoirs A & B, Price Lake Field, Cameron Parish, Louisiana.

1. To dissolve the existing drilling and production unit created as the MA RA SUA, by Office of Conservation Order No. 740-H and to simultaneously create two (2) revised single drilling and production units of approximately 460 acres for the Marginulina Ascensionensis Zone, Reservoirs A & B, designated as the MA RA SUA and MA RB SUA, Price Lake Field, Cameron Parish, Louisiana, all as shown more particularly on the attached plat;
2. To establish rules and regulations governing the exploration for and production of gas and condensate from the said sand units;
3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the units so created, with each tract sharing in unit production on a surface acreage basis of participation;
4. To designate a unit operator and unit wells for the units created herein;
5. To find that, except to the extent contrary to the order granted by the Commissioner in connection with the hearing held on this application, the provisions of Office of

GAMD-laf:28319-1

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Conservation Order No. 740-H shall remain in full force and effect, and

6. To consider such other matters relating to the subject reservoir as may be appropriate and justified by the evidence presented at the public hearing.

The Marginulina Ascensionensis Zone, Reservoir in the Price Lake Field, Cameron Parish, Louisiana was previously defined in Office of Conservation Order No. 740-H, effective November 30, 1999.

In compliance with the Rules of Procedure for Conducting Hearings Before the Commissioner of Conservation of the State of Louisiana, a pre-application conference was held in Lafayette, Louisiana on December 13, 2004. Attached hereto and made a part hereof is a list of the names and addresses of the parties who were in attendance at that conference.

The conference was opened by Mr. B. J. Duplantis. Mr. Bill Dale of W. H. Robbins & Associates presented the plan of applicant. Questions were asked and answered. Mr. Paul C. Perret representing EKM, L.L.C. presented a counterplan which differed from the applicant on the MA RB SUA only by adding approximately 60 acres to the west and taking out a similar amount to the southeast. It is anticipated that there may be opposition at the public hearing on this matter.

Attached hereto and made a part hereof is a plat outlining the MA RA SUA and MA RB SUA, Cameron Parish, Louisiana, and a list of the names and addresses of the interested owners, represented parties and interested parties to whom this notice is being sent. It is hereby certified that a reasonable effort was made to ascertain the names and addresses of all interested owners, represented parties and interested parties.

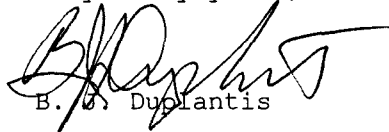
A copy of the list of the names and addresses of the interested owners, represented parties and interested parties is not being mailed to those parties along with this hearing application. Should any such party desire a copy of this list, however, we will be glad to provide one upon request.

Upon receipt of the legal notice in the captioned matter, the notice will be posted, published and mailed in accordance with Rule 7 of the Rules of Procedure.

Any pertinent data relating to the proposed unit can be obtained, AT THE COST OF THE REQUESTING PARTY, from Mr. Bill Dale of W. H. Robbins & Associates, 302 LaRue France, Suite 100, Lafayette, Louisiana 70508 (337) 232-5004.

Finally, there is enclosed herewith our check on behalf of the applicant in the amount of \$755.00, made payable to the Office of Conservation, representing the required hearing application fee.

Very truly yours,



B. J. Duplantis

BJD/ht
Attachments
cc: Mr. Richard Hudson
District Manager, Office of Conservation

All Interested Owners, Represented Parties and Interested Parties

